

2017-2018 BUDGET QUESTION

Response to Request for Information

DEPARTMENT: Austin Resource Recovery and Austin Code

REQUEST NO.: 130

REQUESTED BY: Garza

DATE REQUESTED: 8/24/17

DATE POSTED: 9/8/17

REQUEST: Please provide a five-year history of revenue and expenditures associated with the Clean Community Fee including a list of the programs and services funded.

RESPONSE:

City of Austin Code Section 15-6-33 establishes the Clean Community fee (CCF), which covers costs for litter and nuisance abatement, street cleaning, services provided by the City under Article 5 of Chapter 15-6 (Universal Recycling), and household hazardous waste disposal. When Council adopts the budget each fiscal year, it approves a residential and commercial CCF rate and apportions the CCF between ARR and Austin Code.

Austin Resource Recovery CCF Services
Litter and nuisance abatement services include: citywide street and boulevard sweeping, dead animal collection, downtown litter control, landfill care, brownfields remediation, and the Clean Austin Program.
Universal recycling ordinance (URO) services include: Business outreach and zero waste program development.
Household hazardous waste (HHW) disposal services include: Recycle and Reuse drop-off center and HHW facility.

Austin Code CCF Services
Litter and nuisance abatement services include: Activities such as inspections, education, and abatement that are related to achieving compliance with the City Code.
Universal recycling ordinance (URO) services include: inspections for compliance and enforcement of the URO.
Household hazardous waste (HHW) disposal services include: none.

The tables on the following page summarize the total revenue received from the Clean Community Fee and the expenses for the programs listed above for both the Austin Code Department and Austin Resource Recovery Department. The program expenses for both Austin Resource Recovery and Austin Code include internal and external indirect expenses (overhead) associated with each of the programs. The overhead amount is from the cost of service analysis used to determine the appropriate CCF rates each year.

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The amounts below reflect actual revenue collection and expenses for FY 2013 – FY 2016 and the current year estimate for FY 2017. Each department prepares annual budgets for CCF revenue and expenditures. In some fiscal years, CCF revenue collections were intentionally budgeted lower than planned expenditures to utilize fund balances in excess of the reserve requirement and smooth out future rate increases. In other fiscal years, actual expenditures were less than projected and CCF revenue collections were higher than projected. ARR, in FY 2015, and Austin Code, in FY 2016, performed a cost of service analysis to better align with projected CCF expenditures and revenue.

Austin Resource Recovery Clean Community Fee Revenue	ARR FY 2013 Actual	ARR FY 2014 Actual	ARR FY 2015 Actual	ARR FY 2016 Actual	ARR FY 2017 CYE
\$ in millions					
ARR Residential CCF	\$14.0	\$14.8	\$18.2	\$18.8	\$20.8
ARR Commercial CCF	\$1.9	\$2.0	\$3.2	\$4.1	\$4.7
ARR Total CCF Revenue	\$15.9	\$16.8	\$21.4	\$22.9	\$25.5

Austin Resource Recovery CCF Expenses (includes overhead) TOTAL	\$20.3	\$19.2	\$18.9	\$22.7	\$23.5
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Austin Code Clean Community Fee Revenue	Austin Code FY 2013 Actual	Austin Code FY 2014 Actual	Austin Code FY 2015 Actual	Austin Code FY 2016 Actual	Austin Code FY 2017 CYE
\$ in millions					
ACD Residential CCF	\$10.6	\$12.8	\$13.3	\$14.6	\$15.0
ACD Commercial CCF	\$1.4	\$1.8	\$1.8	\$1.9	\$1.0
ACD Total CCF Revenue	\$12.0	\$14.6	\$15.1	\$16.5	\$16.0

Austin Code CCF Expenses (includes overhead) TOTAL	\$11.4	\$14.3	\$16.1	\$17.9	\$17.3
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* Overhead includes indirect expenses such as office of the director, financial monitoring and budgeting, inventory control, information technology support, program evaluation and standards, public information, quality assurance, customer service, human resources, routing services, facilities, training, and safety; and external indirect expenses include City department support services such as accrued payroll, bad debt expenses, citywide administrative and technology support, worker's compensation, liability reserve, 3-1-1 call center support, and utility billing system support.